

IN THE SENATE

SENATE BILL NO. 1243

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO THE STATE BUDGET; REPEALING SECTION 67-3524, IDAHO CODE, RE-
2 LATING TO EQUITABLE DISTRIBUTION OF GOVERNMENT OVERHEAD EXPENSE; AND
3 AMENDING SECTION 67-1210, IDAHO CODE, TO REMOVE CODE REFERENCES AND TO
4 MAKE TECHNICAL CORRECTIONS.
5

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Section [67-3524](#), Idaho Code, be, and the same is hereby
8 repealed.

9 SECTION 2. That Section 67-1210, Idaho Code, be, and the same is hereby
10 amended to read as follows:

11 67-1210. INVESTMENT OF IDLE MONEYS. It shall be the duty of the state
12 treasurer to invest idle moneys in the state treasury in any of the follow-
13 ing:

14 (a) Bonds, treasury bills, interest-bearing notes, or other obliga-
15 tions of the United States, or those for which the faith and credit of the
16 United States are pledged for the payment of principal and interest.

17 (b) General obligation or revenue bonds of this state, or those for
18 which the faith and credit of this state are pledged for the payment of prin-
19 cipal and interest.

20 (c) General obligation or revenue bonds of any county, city, metropoli-
21 tan water district, municipal utility district, school district or other
22 taxing district of this state.

23 (d) Notes, bonds, debentures, or other similar obligations issued by
24 the farm credit system or institutions forming a part thereof under the farm
25 credit act of 1971, 12 U.S.C., tit. 12, sections 2001-2259, and all acts
26 of congress amendatory thereof or supplementary thereto; in bonds or deben-
27 tures of the federal home loan bank board established under the federal home
28 loan bank act, 12 U.S.C., tit. 12, sections 1421-1449; in bonds, debentures
29 and other obligations of the federal national mortgage association estab-
30 lished under the national housing act, 12 U.S.C., tit. 12, sections 1701-
31 1750g, as amended, and in the bonds of any federal home loan bank established
32 under said act and in other obligations issued or guaranteed by agencies or
33 instrumentalities of the government of the state of Idaho or of the United
34 States, including the United States small business administration guaran-
35 teed portion of any loan approved by an Idaho banking corporation and by the
36 state treasurer.

37 (e) Bonds, notes or other similar obligations issued by public corpo-
38 rations of the state of Idaho including, but not limited to, the Idaho state
39 building authority, the Idaho housing and finance association and the Idaho
40 water resource board.

1 (f) Repurchase agreements covered by any legal investment for the state
2 of Idaho.

3 (g) Tax anticipation notes and registered warrants of the state of
4 Idaho.

5 (h) Tax anticipation bonds or notes and income and revenue anticipation
6 bonds or notes of taxing districts of the state of Idaho.

7 (i) Time deposit accounts and savings accounts in state depositories
8 including, but not limited to, accounts on which interest or dividends are
9 paid and upon which negotiable orders of withdrawal may be drawn, and similar
10 transaction accounts.

11 (j) Time deposit accounts and savings accounts of state or federal sav-
12 ings and loan associations located within the geographical boundaries of the
13 state in amounts not to exceed the insurance provided by the federal deposit
14 insurance corporation including, but not limited to, accounts on which in-
15 terest or dividends are paid and upon which negotiable orders of withdrawal
16 may be drawn, and similar transaction accounts.

17 (k) Revenue bonds of institutions of higher education of the state of
18 Idaho.

19 (l) Share, savings and deposit accounts of state and federal credit
20 unions located within the geographical boundaries of the state in amounts
21 not to exceed the insurance provided by the national credit union share
22 insurance fund and/or any other authorized deposit guaranty corporation,
23 including, but not limited to, accounts on which interest or dividends are
24 paid and upon which negotiable orders of withdrawal may be drawn, and similar
25 transaction accounts.

26 (m) Money market funds whose portfolios consist of any allowed invest-
27 ment as specified in this section. The securities held in money market port-
28 folios must be dollar-denominated, meaning that all principal and interest
29 payments on such a security are payable to security holders in United States
30 dollars.

31 The term "idle moneys" means the balance of cash and other evidences of
32 indebtedness ~~which~~ that are accepted by banks as cash in the ordinary course
33 of business, in demand deposit accounts, after taking into consideration all
34 deposits and withdrawals, on a daily basis.

35 The interest received on all such investments, unless otherwise specif-
36 ically required by law, shall be paid into the general account of the state of
37 Idaho. Provided, unless otherwise specifically provided by statute, any in-
38 terest earned on funds received by the state pursuant to a federal law, regu-
39 lation, or federal-state agreement ~~which~~ that governs disposition of inter-
40 est earned upon such funds shall be accounted for separately to give effect
41 to the federal law, regulation, or federal-state agreement.

42 If the interest is to be credited to a separate account, the state trea-
43 surer shall charge the account an investment administration fee. The amount
44 of the fee shall be determined annually by the state treasurer and submit-
45 ted to the board of examiners for approval ~~as stipulated in section 67-3524,~~
46 ~~Idaho Code.~~ The fee shall be expressed as an annual percentage of the aver-
47 age daily balance of the account, including separate investments, if any, of
48 that account. The fee shall be charged monthly in an amount approximately
49 one twelfth (1/12) of the fee ~~which~~ that would be payable on an annual basis.
50 The amount of the investment administration fee shall constitute an appro-

1 appropriation from the account for which the investment administration services
2 are rendered.

3 The state treasurer shall charge an investment administration fee to
4 each such state fund or account, including the general account, which is
5 invested by the office of state treasurer. The investment administration
6 fee shall be determined annually by the state treasurer and submitted to the
7 board of examiners for approval, ~~as stipulated in section 67-3524, Idaho~~
8 ~~Code~~. The fee shall be expressed as an annual percentage of the average daily
9 balance of the fund or account, including separate investments, if any, of
10 that fund or account. The fee shall be charged monthly in an amount approxi-
11 mately one twelfth (1/12) of the fee ~~which~~ that would be payable on an annual
12 basis. The amount of the investment administration fee shall constitute an
13 appropriation from the fund or account for which the investment administra-
14 tion services are rendered.

15 The term "to invest" means to use the idle moneys in the state treasury
16 to buy, sell, including selling before maturity at either a gain or a loss,
17 retain, or exchange any of the investments described in this section, con-
18 sidering the probable safety of the capital, the probable income to be de-
19 rived, and the liquidity of the assets.